



Amazon Becomes the Number 1 Brand in the European Smart Home Space, says IDC

LONDON, January 17, 2020 — The Smart Home market in Europe continued to grow in the third quarter of 2019, reaching almost 23.8 million units, an increase of 18.1% compared to the same quarter in the previous year.

Between July and September, more than 4.5 million of smart speakers were shipped to Europe, growing 36.6% compared to the same quarter in 2018 and representing 19% of total shipments of smart home products. Video entertainment was still the number one product category, responsible for 58.2% of the market and 13.8 million units.

"Amazon had a stellar quarter and was responsible for more than half of the smart speakers shipped to Europe in the third quarter of 2019," said Antonio Arantes, senior research analyst for smart home devices in Western Europe. "In the digital media adapter space, the Fire TV continues to prove the strength of the product, leading in the United Kingdom and German markets."

"In the third quarter of 2019, the CEE smart home market grew 51% year over year, with smart speakers the fastest growing category and Google and Amazon the leading vendors," said Jan Prenosil, senior research analyst for smart home devices in Central and Eastern Europe. "The lighting category recorded a solid growth thanks to affordable devices with direct connectivity options, not having the necessity of connecting to a hub. It is the simple way for consumers try the basic smart device."

In the next five years, the smart home market in Europe is expected to reach 185.9 million units in 2023, growing at a compound annual growth rate (CAGR) of 14.5%.

"Even though video entertainment is already a mature market, we are still seeing some novelties in this space. In the last months of 2019, Fire OS and Roku entered the TV market in the United Kingdom as two new operating systems for smart TVs and we expect them to grow to new countries and new partners," said Arantes.

According to Prenosil, "Increased demand for Smart TVs is expected in the coming quarters as the DVB-T standard signal is turned off between the end of 2019 and 2020 in some CEE countries, and many costumers leave the purchase of the new equipment to the last minute."

Category Highlights

Video entertainment was still the number one product category in 3Q19, accounting for 58.2% of the market. This category is expected to grow at a CAGR of 6.6% in the next five years.

Smart speakers are the second biggest category and are growing the most. Google and Amazon will continue their expansion to all countries in Europe, and it is expected that shipments of these products will almost double the in 2023.

Lighting, home security monitoring, and thermostats will represent 29.5% of the smart home market in 2023, with almost 55 million units.

Europe Top 5 Smart Home Vendor Shipments, Market Share and YoY Growth, 3Q19 (Shipments in Thousands)

Vendor	3Q19 Shipment Volume	3Q19 Market Share	3Q18 Shipment Volume	3Q18 Market Share	Year-Over-Year Change
1. Amazon	3,903	16.4%	3,078	15.3%	26.8%
2. Google	3,786	15.9%	3,405	16.9%	11.2%
3. Samsung	2,955	12.4%	2,692	13.4%	9.7%
4. LG Electronics	2,447	10.3%	2,136	10.6%	14.5%
5. Sony	1,319	5.5%	1,188	5.9%	11.1%
Others	9,372	39.5%	7,630	37.9%	22.8%
Total	23,782	100.0%	20,129	100.0%	18.1%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, December 2019

Europe Smart Home Devices Forecast by Category, 2019–2023 (Shipments in Thousands)

Product Category	2019 Shipments*	2019 Share*	2023 Shipments**	2023 Share**	CAGR 2019-2023
Video entertainment	60,839	56.3%	78,516	42.2%	6.6%
Smart speaker	22,125	20.5%	43,068	23.2%	18.1%
Lighting	6,530	6.0%	26,973	14.5%	42.6%
Home monitoring/ security	11,684	10.8%	22,186	11.9%	17.4%
Thermostat	2,883	2.7%	5,819	3.1%	19.2%
Others	3,911	3.7%	9,290	5.1%	24.2%
Total	107,972	100.0%	185,852	100.0%	14.5%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, December 2019

*Historical data from 3Q19 + forecast data of 4Q19

**Forecast data

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